



BROOKFIELD

H O M E S

**Supplemental Information
For The Three Months Ended
March 31, 2008**

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All amounts denominated in U.S. dollars

Forward-Looking Statements



Certain statements in this supplemental information package that are not historical facts, including information concerning financial statistic targets, projected future home closings and deliveries (and the timing thereof), expected dividend payments, possible or assumed results of operations of the company and those statements preceded by, followed by, or that include the words “estimate”, “target”, “planned”, “expected,” “future”, or similar expressions, constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Undue reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results to differ materially from the anticipated future results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forward in the forward-looking statements include, but are not limited to: changes in general economic, real estate and other conditions; mortgage rate changes; availability of suitable undeveloped land at acceptable prices; adverse legislation or regulation; ability to obtain necessary permits and approvals for the development of our land; availability of labor or materials or increases in their costs; ability to develop and market our master-planned communities successfully; confidence levels of consumers; ability to raise capital on favorable terms; adverse weather conditions and natural disasters; relations with the residents of our communities; risks associated with increased insurance costs or unavailability of adequate coverage and ability to obtain surety bonds; competitive conditions in the homebuilding industry, including product and pricing pressures; and additional risks and uncertainties referred to in our Form 10-K and other SEC filings, many of which are beyond our control. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Profile



Brookfield Homes Corporation is a land developer and homebuilder. We entitle and develop land for our own communities and sell lots to third parties. We also design, construct and market single-family and multi-family homes primarily to move-up and luxury homebuyers. Our portfolio includes 26,000 lots owned and controlled in the Northern California; Southland / Los Angeles; San Diego / Riverside; and Washington D.C. Area markets. For more information, visit the Brookfield Homes website at www.brookfieldhomes.com.

(All figures in US\$)

Selected Financial Information



| | <i>Three Months Ended March 31,</i> | |
|---|-------------------------------------|------------|
| | 2008 | 2007 |
| <i>(Millions, except per unit activity and per share amounts)</i> | | |
| Results of Operations | | |
| Total revenue | \$ 69 | \$ 108 |
| Total gross margin | 4 | 21 |
| Housing revenue | 66 | 104 |
| Housing gross margin - \$ | 11 | 20 |
| Housing gross margin - % | 16% | 20% |
| Contribution from land sales to net income | - | - |
| Net income / (loss) | (12) | 29 |
| Basic earnings / (loss) per share | (0.47) | 1.08 |
| Diluted earnings / (loss) per share | (0.47) | 1.07 |
| Financial Position - Period End | | |
| Total assets | \$ 1,394 | \$ 1,365 |
| Total debt | 798 | 643 |
| Operating Data (including joint ventures) | | |
| Net new orders (units) | 231 | 289 |
| Backlog (units at end of period) | 266 | 397 |
| Home closings (units) | 120 | 151 |
| Average selling price (per unit) | \$ 571,000 | \$ 707,000 |

Condensed Balance Sheets



| <i>(thousands)</i> | <i>As at March 31</i> | | <i>As at December 31,</i> |
|--|-----------------------|---------------------|---------------------------|
| | <u>2008</u> | <u>2007</u> | <u>2007</u> |
| Assets | | | |
| Housing and land inventory | \$ 1,118,644 | \$ 1,101,827 | \$ 1,078,229 |
| Investments in housing and land joint ventures | 126,612 | 96,629 | 130,546 |
| Consolidated land inventory not owned | 25,548 | 73,881 | 26,748 |
| Receivables and other assets | 54,001 | 26,622 | 50,066 |
| Cash and cash equivalents | 10,762 | 14,292 | 9,132 |
| Deferred income taxes | 58,148 | 51,499 | 55,943 |
| | \$ 1,393,715 | \$ 1,364,750 | \$ 1,350,664 |
| Liabilities and Stockholders' Equity | | | |
| Project specific and other financings | \$ 798,036 | \$ 642,879 | \$ 734,572 |
| Accounts payable and other liabilities | 146,874 | 211,090 | 159,956 |
| Minority interest | 81,631 | 108,077 | 76,486 |
| Stockholders' equity | 367,174 | 402,704 | 379,650 |
| | \$ 1,393,715 | \$ 1,364,750 | \$ 1,350,664 |

Condensed Statements of Income



| | <i>Three Months Ended March 31</i> | |
|---|------------------------------------|------------------|
| <i>(thousands, except per share amounts)</i> | 2008 | 2007 |
| Revenue | | |
| Housing | \$ 66,406 | \$ 104,040 |
| Land | 3,286 | 3,519 |
| | 69,692 | 107,559 |
| Direct cost of sales | (59,356) | (86,581) |
| Impairments on housing and land inventory | (6,150) | - |
| | 4,186 | 20,978 |
| Equity in earnings from housing and land joint ventures | 39 | 324 |
| Other (expense) / income | (9,030) | 387 |
| Selling, general and administrative expense | (16,605) | (16,512) |
| Operating (loss) / income | (21,410) | 5,177 |
| Minority interest | 1,286 | (165) |
| (Loss) / income before taxes | (20,124) | 5,012 |
| Income tax recovery | 7,648 | 23,648 |
| Net income / (loss) | \$ (12,476) | \$ 28,660 |
| Earnings/ (loss) per share - basic | \$ (0.47) | \$ 1.08 |
| Earnings / (loss) per share - diluted | \$ (0.47) | \$ 1.07 |

Condensed Statements of Cash Flow



| | <i>Three Months Ended March 31</i> | |
|---|------------------------------------|------------------|
| <i>(thousands)</i> | 2008 | 2007 |
| Cash flows from / (used in) operating activities: | | |
| Net (loss) / income | \$ (12,476) | \$ 28,660 |
| Adjustments to reconcile net (loss) / income to net cash from operating activities: | | |
| (Loss) / income from housing and land joint ventures | (39) | 266 |
| Minority interest | (1,286) | 165 |
| Deferred income taxes | (2,205) | 1,216 |
| Impairments on housing and land inventory | 6,150 | - |
| Other changes in operating assets and liabilities: | | |
| (Increase) / decrease in receivables and other assets | (3,935) | 10,409 |
| Increase in housing and land inventory | (10,935) | (31,071) |
| Decrease in accounts payable and other liabilities | (7,078) | (97,867) |
| Net cash used in operating activities | <u>(31,804)</u> | <u>(88,222)</u> |
| Cash flows from / (used in) investing activities: | | |
| Investment in housing and land joint ventures | (7,258) | (6,570) |
| Acquisition of additional interest in joint venture | (5,400) | - |
| Net cash used in investing activities | <u>(12,658)</u> | <u>(6,570)</u> |
| Cash flows from / (used in) financing activities: | | |
| Net borrowings under revolving project specific and other financings | 45,464 | 22,478 |
| Net contributions / (distributions) from minority interest | 628 | (276) |
| Exercise of stock options | - | 73 |
| Net cash used in financing activities | <u>46,092</u> | <u>22,275</u> |
| Increase / (decrease) in cash and cash equivalents | 1,630 | (72,517) |
| Cash and cash equivalents at beginning of period | 9,132 | 86,809 |
| Cash and cash equivalents at end of period | <u>\$ 10,762</u> | <u>\$ 14,292</u> |
| Supplemental cash flow information: | | |
| Interest paid | \$ 14,982 | \$ 15,402 |
| Income taxes paid | \$ - | \$ 21,549 |
| Non-cash (decrease) / increase in consolidated land inventory not owned | \$ (201) | \$ 10,064 |
| Acquisitions of additional interest in joint venture: | | |
| Increase in housing and land inventory | \$ 29,231 | \$ - |
| Reduction in investment in housing and land joint ventures | \$ 11,231 | \$ - |
| Increase in project specific and other financings | \$ 18,000 | \$ - |

Statistical Information



| | Long Term Targets | 3-Year Average | 2007A | 2006A | 2005A |
|--|----------------------|--------------------|-------|-------|-------|
| Return on Average Net Assets (Net income before interest expense, income taxes and minority interest expense / average total assets less cash, deferred taxes and payables) | 20% | 30% | -3% | 32% | 61% |
| Inventory Turnover (Total revenue / average housing and land inventory) | 1.5x | 1.0x | 0.5x | 0.9x | 1.5x |
| Net Debt to Total Book Capitalization (Total debt minus cash / net debt plus minority interest plus stockholders' equity) | 40% | 58% | 61% | 53% | 58% |
| Interest Coverage Ratio (Net income before impairments and write-offs, interest expense, income taxes and minority interest expense / interest incurred) | 6x | 5.7x | 1.3x | 4.9x | 11.0x |
| Return on Opening Stockholders' Equity | 20% | 50% | 4% | 56% | 89% |
| EPS Growth | 10% - 15% | 20% ⁽¹⁾ | - | - | - |

⁽¹⁾ Represents compounded annual growth since 2003.

Selected Operating Information



| | <i>Three Months Ended March 31</i> | | | |
|--|------------------------------------|-------------------|----------------|------------|
| | 2008 | 2007 | | |
| <i>(in units, except average selling price)</i> | | | | |
| Net New Orders | | | | |
| Northern California | 32 | 29 | | |
| Southland/Los Angeles | 79 | 81 | | |
| San Diego/Riverside | 48 | 64 | | |
| Washington D.C. Area | 71 | 108 | | |
| Corporate and Other | 1 | 4 | | |
| | 231 | 286 | | |
| Joint Ventures | - | 3 | | |
| Total | 231 | 289 | | |
| Home closings | | | | |
| Northern California | 10 | 12 | | |
| Southland/Los Angeles | 54 | 72 | | |
| San Diego/Riverside | 22 | 23 | | |
| Washington D.C. Area | 31 | 30 | | |
| Corporate and Other | - | 11 | | |
| | 117 | 148 | | |
| Joint Ventures | 3 | 3 | | |
| Consolidated total | 120 | 151 | | |
| Average selling price | | | | |
| Northern California | \$ 920,000 | \$ 815,000 | | |
| Southland/Los Angeles | 458,000 | 716,000 | | |
| San Diego/Riverside | 585,000 | 666,000 | | |
| Washington D.C. Area | 633,000 | 597,000 | | |
| Corporate and Other | - | 859,000 | | |
| | 568,000 | 703,000 | | |
| Joint Ventures | 706,000 | 922,000 | | |
| Average selling price | \$ 571,000 | \$ 707,000 | | |
| Active communities / Backlog at end of period | Active Communities | | Backlog | |
| | 2008 | 2007 | | |
| Northern California | 4 | 3 | 49 | 34 |
| Southland/Los Angeles | 9 | 6 | 70 | 109 |
| San Diego/Riverside | 7 | 9 | 34 | 76 |
| Washington D.C. Area | 12 | 13 | 92 | 153 |
| Corporate and Other | 1 | 2 | 20 | 13 |
| | 33 | 33 | 265 | 385 |
| Joint Ventures | 1 | - | 1 | 12 |
| Total | 34 | 33 | 266 | 397 |

Selected Operating Information (cont'd)



| (\$ millions) | <i>Three Months Ended March 31</i> | |
|---------------------------|------------------------------------|------------|
| | 2008 | 2007 |
| Housing Revenue | | |
| Northern California | 9 | 10 |
| Southland/Los Angeles | 25 | 52 |
| San Diego/Riverside | 13 | 15 |
| Washington D.C. Area | 19 | 18 |
| Corporate and Other | - | 9 |
| Total | 66 | 104 |
| Land Revenue | | |
| Northern California | - | - |
| Southland/Los Angeles | - | - |
| San Diego/Riverside | - | - |
| Washington D.C. Area | 3 | 4 |
| Corporate and Other | - | - |
| Total | 3 | 4 |
| Gross Margin | | |
| Northern California | 1 | 1 |
| Southland/Los Angeles | 3 | 11 |
| San Diego/Riverside | 4 | 4 |
| Washington D.C. Area | (4) | 4 |
| Corporate and Other | - | 1 |
| Total Gross Margin | 4 | 21 |

Residential Building Lots



Ownership

| <i>(lots)</i> | Owned | Joint | Under ⁽¹⁾ | Total Lots | Total Lots |
|--------------------------------|---------------|--------------|----------------------|---------------|---------------|
| | Directly | Ventures | Option | 3/31/2008 | 12/31/2007 |
| Northern California | 1,217 | 98 | 6,878 | 8,193 | 8,203 |
| Southland/Los Angeles | 1,394 | 54 | 1,679 | 3,127 | 3,228 |
| San Diego/Riverside | 6,757 | 1,103 | 1,500 | 9,360 | 8,356 |
| Washington D.C. Area | 2,530 | 1,343 | 1,381 | 5,254 | 5,302 |
| Corporate and Other | 216 | 65 | - | 281 | 282 |
| Total March 31, 2008 | 12,114 | 2,663 | 11,438 | 26,215 | |
| Total December 31, 2007 | 9,620 | 3,458 | 12,293 | | 25,371 |

⁽¹⁾ Includes proportionate share of lots under option related to joint ventures.

Book Value

| <i>(millions, except per lot activity)</i> | Owned | Joint | Under | Total 3/31/2008 | | Total 12/31/2007 | |
|--|----------------|--------------|-------------|-----------------|----------------|------------------|----------------|
| | Directly | Ventures | Option | Lots | \$ | Lots | \$ |
| Housing inventory | \$609 | \$29 | - | 3,247 | \$638 | 3,309 | \$630 |
| Model homes | 59 | 2 | - | 106 | 61 | 107 | 60 |
| Land & land under development | 390 | 161 | - | 11,424 | 551 | 9,662 | 526 |
| Optioned lots | - | 22 | 86 | 11,438 | 108 | 12,293 | 104 |
| Joint venture debt | - | (87) | - | - | (87) | - | (84) |
| | \$1,058 | \$127 | \$86 | 26,215 | \$1,271 | 25,371 | \$1,236 |

Investor Information



Common Shares

Brookfield Homes trades on the New York Stock Exchange under the symbol "BHS".

Brookfield Homes pays a semi-annual dividend of \$0.20 per share. The next semi-annual dividend is expected to be paid June 30, 2008 to stockholders of record on June 16, 2008.

BHS Trading Statistics - New York Stock Exchange

Source: NYSE net

| | <i>For The Three Months Ended</i> | | | |
|--------------------|-----------------------------------|------------|------------|------------|
| | 31-Mar-08 | 31-Dec-07 | 30-Sep-07 | 30-Jun-07 |
| Share Price | | | | |
| High | \$ 17.52 | \$ 22.21 | \$ 32.07 | \$ 36.61 |
| Low | \$ 10.51 | \$ 13.50 | \$ 17.04 | \$ 28.92 |
| Close | \$ 16.80 | \$ 15.80 | \$ 18.55 | \$ 29.09 |
| Volume | 10,658,909 | 13,517,352 | 19,293,500 | 13,734,800 |

Common Shares Outstanding

| | 31-Mar-08 | 31-Dec-07 | 30-Sep-07 | 30-Jun-07 |
|--------------------------------------|------------|------------|------------|------------|
| Common shares issued and outstanding | 26,663,413 | 26,663,413 | 26,628,207 | 26,627,825 |
| Unexercised options | 992,319 | 782,319 | 817,525 | 864,732 |
| Total common shares outstanding | 27,655,732 | 27,445,732 | 27,445,732 | 27,492,557 |

- **Announcement of Results**

- Year 2008 quarterly results are expected to be announced on the following dates:

| | |
|------------------|------------------|
| ▪ First Quarter | May 1, 2008 |
| ▪ Second Quarter | July 31, 2008 |
| ▪ Third Quarter | October 30, 2008 |
| ▪ Fourth Quarter | February, 2009 |

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- Press releases and other investor information are available on the company's web site at: www.brookfieldhomes.com

- **Inquiries**

- Brookfield Homes Corporation welcomes inquiries from shareholders, analysts, media representatives and other interested parties. Questions relating to investor relations or media inquiries can be directed to Linda Northwood, Director, Investor Relations at (858) 481-2567 or via e-mail at lnorthwood@brookfieldhomes.com. Inquiries regarding financial results should be directed to Paul Kerrigan, Executive Vice President and Chief Financial Officer at (858) 481-2568 or via e-mail at pkerrigan@brookfieldhomes.com.